

State of Alaska FY2010 Governor's Operating Budget

Department of Commerce, Community, and Economic Development Alaska Energy Authority Rural Energy Operations Component Budget Summary

Component: Alaska Energy Authority Rural Energy Operations

Contribution to Department's Mission

Assist in the development of safe, reliable and efficient energy systems throughout Alaska, which are sustainable and environmentally sound, and reduce the cost of energy in rural Alaska.

Major Activities to Advance Strategies

- Issue/administer contracts and loans
- Coordinate with communities and other government agencies
- Develop business plans
- Apply for grant funds
- Provide technical assistance
- Perform energy audits
- Project management
- Recruitment of eligible trainees
- Development of site-specific training curriculum
- Develop/expand curriculum for powerhouse training

FY2010 Resources Allocated to Achieve Results

FY2010 Component Budget: \$3,184,100

Personnel:

Full time	0
Part time	0
Total	0

Key Component Challenges

Scheduling and managing Bulk Fuel and Rural Power System Upgrade projects (requested by the Denali Commission) with an unpredictable capital funding stream.

Providing training in an environment of high staff turnover (in bulk fuel and utility clerk job classes) and last-minute cancellations by training participants, which makes it difficult for AEA to fill available training slots.

The escalating per unit cost of fuel has increased annual demand on the bulk fuel revolving loan fund (BFRLF).

Significant Changes in Results to be Delivered in FY2010

In anticipation of an increased demand for financing, the BFRLF loan limit was increased to \$750,000 and the Fund was capitalized with another \$5.5 million. We anticipate continued increase in demand in FY 2010.

Major Component Accomplishments in 2008

AEA administered training programs for 28 bulk fuel operators, 17 itinerant bulk fuel operators, 17 power plant operators, 7 advanced power plant operators, 13 utility clerks, 10 bulk fuel bookkeepers, 13 bulk fuel managers, 7 electric utility bookkeepers and 7 electric utility managers.

In fiscal year 2008, AEA funded 51 Bulk Fuel loans for \$8.1 million and committed to 15 more loans for \$2.8 million.

AEA completed 3 bulk fuel system upgrades and 6 rural power system upgrades.

Statutory and Regulatory Authority

AS 42.45 Rural and Statewide Energy Programs
3 AAC 106 Loan Programs
3 AAC 107 Grant Programs
3 AAC 160 Rural Development Assistance and Bulk Fuel Storage Facility Grant Programs

Contact Information
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**Alaska Energy Authority Rural Energy Operations
Component Financial Summary**

All dollars shown in thousands

	FY2008 Actuals	FY2009 Management Plan	FY2010 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	0.0	0.0	0.0
72000 Travel	207.8	139.5	139.5
73000 Services	3,551.7	2,849.0	2,886.6
74000 Commodities	67.5	48.0	48.0
75000 Capital Outlay	37.7	10.0	10.0
77000 Grants, Benefits	0.0	100.0	100.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	3,864.7	3,146.5	3,184.1
Funding Sources:			
1002 Federal Receipts	0.0	530.0	530.0
1004 General Fund Receipts	283.2	150.0	187.6
1007 Inter-Agency Receipts	268.5	0.0	0.0
1061 Capital Improvement Project Receipts	2,293.2	1,262.8	1,262.8
1062 Power Project Loan Fund	994.1	1,000.0	1,000.0
1074 Bulk Fuel Revolving Loan Fund	0.0	53.7	53.7
1108 Statutory Designated Program Receipts	25.7	150.0	150.0
Funding Totals	3,864.7	3,146.5	3,184.1

Estimated Revenue Collections

Description	Master Revenue Account	FY2008 Actuals	FY2009 Management Plan	FY2010 Governor
Unrestricted Revenues				
None.		0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0
Restricted Revenues				
Federal Receipts	51010	0.0	530.0	530.0
Interagency Receipts	51015	268.5	0.0	0.0
Statutory Designated Program Receipts	51063	25.7	150.0	150.0
Capital Improvement Project Receipts	51200	2,293.2	1,262.8	1,262.8
Bulk Fuel Revolving Loan Fund	51270	0.0	53.7	53.7
Power Project Loan Fund	51350	994.1	1,000.0	1,000.0
Restricted Total		3,581.5	2,996.5	2,996.5
Total Estimated Revenues		3,581.5	2,996.5	2,996.5

**Summary of Component Budget Changes
From FY2009 Management Plan to FY2010 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2009 Management Plan	150.0	530.0	2,466.5	3,146.5
Adjustments which will continue current level of service:				
-FY2010 Wage and Health Insurance Increases for Bargaining Units with Existing Agreements	37.6	0.0	0.0	37.6
FY2010 Governor	187.6	530.0	2,466.5	3,184.1